

Greenhouse gas emissions, climate change: mechanism for monitoring and reporting

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In accordance with the requirements of Article 21 of Regulation (EU) No 525/2013, the Commission presents a report on the progress made towards achieving the Kyoto and the EU 2020 objectives.

The Kyoto target, 2008-2012: the report states that **emissions in 2011 reached their lowest levels since 1990**. Total EU-28 greenhouse gas (GHG) emissions without emissions and removals from Land Use, Land Use Change and Forestry (LULUCF) and excluding emissions from international aviation were 18.3 % lower compared to 1990 levels.

Under the Kyoto Protocol, the EU-15 has agreed to reduce its GHG emissions by 8 % by 2008–12 compared to base year levels. Based on the latest available inventory data for 2011, total GHG emissions in the EU-15 were 14.9 % below base year levels (without LULUCF). **The EU-15 is therefore not only on track to achieve its Kyoto target for the first commitment period from 2008-2012, but will overachieve it.** Over and above the EU- 15 Kyoto target, an accumulated amount of 0.9 Gt CO₂ eq. will have been saved during the first commitment period. Despite the fact that emissions were below the EU-15 Assigned Amount, EU-15 Member States and companies located in these Member States offset part of their emissions with emission reduction credits bringing the overachievement to a total of 1.6 Gt CO₂ eq., almost doubling the reduction effort compared to the initial Kyoto target.

GDP growth for the period 1990-2011 was 44 % for the EU-15 and 45 % for the EU-28. **While the economy grew significantly emissions decreased demonstrating the decoupling between economic growth and GHG emissions.** Accordingly, between 2010 and 2011 the EU- 28 GDP increased by 1.4%, while GHG emissions fell by 3.3 %.

The report goes on to compare the figures for 2011 with those in the preceding two years: in 2011 the EU-15 and EU-28 GHG emissions decreased by 4.2 % and 3.3 % respectively compared to 2010. The 2011 emissions decrease was largely due to a milder winter in 2011 compared to 2010, which led to a lower demand for heating. This decline followed a small increase in 2010, partially due to the economic recovery, that came after a sharp drop in 2009 largely due to the effects of the 2008 economic crisis. Preliminary estimates show that EU-15 and EU-28 emissions further decreased by respectively 0.5 % and 1.3 % in 2012.

Europe 2020 target: the Climate and Energy Package of 2009 set a 20% GHG emission reduction target for EU-28 by 2020 compared to 1990, which is equivalent to -14% compared to 2005. This is also the basis for the EU's international obligation under the 2nd commitment period under the Kyoto Protocol from 2013-2020.

This effort will be divided between the EU ETS and non-ETS sectors as follows:

- 21% reduction in EU ETS sector emissions by 2020 compared to 2005 and
- reduction of around 10% by 2020 compared to 2005 under the [Effort Sharing Decision \('ESD'\)](#), for the sectors that are not covered by the EU ETS. The ESD mainly covers emissions from transportation, buildings, small businesses and services, agriculture and waste.

While the ETS provides an EU-wide cap, the ESD relies mostly on Member States defining and implementing additional national policies and measures to limit their emissions in the ESD sectors. The ESD sets annual emission allocations from 2013 to 2020.

According to Member States' projections submitted in 2013, when international aviation is included, EU emissions are projected to be 21% lower in 2020 than in 1990 and 22 % lower when international aviation is excluded. The **EU-28 is currently on track to meet its EU 2020 target**. However, **13 Member States will need additional efforts to meet their 2020 targets for the non-ETS sectors** while 15 Members States are already projected to reach these commitments with existing policies and measures.

Member States' progress: as part of the European Semester, the Commission carries out specific analysis on the situation of individual Member States as regards progress towards their 2020 targets based on projected emissions with existing measures. The most recent analysis leads to certain conclusions:

- GHG emissions in Luxembourg are projected to exceed the national target by a wide margin (gap of 23%). Emissions in 2012 are also above the 2013 targets under the ESD. Significant GHG emission reductions could be achieved by increasing taxation on energy products for transport, as underlined in the Country Specific Recommendation;
- Ireland's GHG emissions are also expected to exceed the target by a wide margin (gap of 18%) due to a large increase of emissions in transport and in agriculture. Ireland however proposed in 2013 a range of initiatives to reduce emissions under the Low-Carbon Development Bill.
- emissions in Belgium are projected to fall short of the national target by 11%;
- projections show also that Lithuania, Spain, Austria, Finland and Italy are expected to miss their target by a gap of more than 3%. For these Member States, current measures are expected not to be sufficient for achieving national targets;
- recent EU baseline projections indicate that Poland could face difficulties in delivering on its commitment. Estonia's emission will exceed in 2012 its 2013 ESD target and could face also difficulties in meeting its commitment.

In the context of the 2013 European Semester, the Council recommended that Belgium, the Czech Republic, France Hungary, Italy, Latvia, Lithuania, Romania and Spain **shift the tax burden away from labour to taxes less detrimental to growth, including environmental taxes**. It recommended Estonia, Lithuania and Luxembourg enact appropriate fiscal measures to improve the energy efficiency of the transport sector. The Council also recommended Bulgaria, the Czech Republic, Estonia, Latvia, Lithuania, Malta, Poland, Romania and Slovakia to pursue efforts to improve energy efficiency. The UK should stimulate investments in new energy capacity, including in renewable energy.